

STATE BUDGET AND CONTROL BOARD STATE DOCUMENTS

The State Budget and Control Board, formerly the Budget Commission, was created by Reorganization Plan No. 2 adopted by the General Assembly in 1950 pursuant to the terms and provisions of Act 621, Acts of 1948. Under that Act, ten State agencies were abolished as separate entities and their functions and duties brought under the supervision of the Budget and Control Board. Five members who serve in an *ex officio* capacity comprise the Board. Regular meetings are scheduled for each calendar year and public notice of and the agenda for those meetings are posted in compliance with Code §30-4-80. During 1998-99, the following were members of the Board.

James H. Hodges, Governor
 Grady L. Patterson, Jr., State Treasurer
 James A. Lander, Comptroller General
 John Drummond, Chairman, Senate Finance Committee
 Henry E. Brown, Jr., Chairman, House Ways and Means Committee

Since its inception, the Board has undergone various organizational changes. Initially, the State Auditor served as Secretary to the Board. On September 1, 1978, the Board established the position of Executive Director to serve as the chief administrative officer and subsequently appointed a member of the Executive Director's staff to serve as Secretary to the Board.

During 1998-99, the Board held ten meetings (August 11, October 13, November 16, December 12, February 9, March 9, March 31, May 11, June 3, and June 29).

STATE EDUCATION ASSISTANCE AUTHORITY

The members of the State Budget and Control Board, *ex officio*, comprise the State Education Assistance Authority. The Authority was created in 1971, as provided in Sections 59-115-10, and following, of the 1976 Code of Laws, as amended. The Authority is authorized to issue revenue bonds which are repaid from fees, charges, interest, and premiums collected for making, insuring, or guaranteeing loans to students pursuing a post-secondary education at eligible institutions. At the end of 1998-99, the following Authority bonds were outstanding:

Issued	Original Amount	Retired	Outstanding As of 06-30-99
1988	\$ 70,855,000	\$ 70,855,000	\$ -
1989	47,220,000	47,220,000	0
1990	48,400,000	48,400,000	0
1991	46,990,000	26,990,000	20,000,000
1992	62,280,000	25,760,000	36,520,000

1993	99,495,000	26,400,000	73,095,000
1994	86,845,000	5,910,000	80,935,000
1995	62,055,000		62,055,000
1998	49,850,000		49,850,000
1999	67,300,000		67,300,000
Total	<u>\$ 641,290,000</u>	<u>\$ 251,535,000</u>	<u>\$ 389,755,000</u>

During 1998-99, the Authority held three meetings (December 15, March 9, and May 11).

EDUCATIONAL FACILITIES AUTHORITY

The Educational Facilities Authority for Private, Nonprofit Institutions of Higher Learning, the membership of which is the State Budget and Control Board, *ex officio*, was created in 1969. Its purpose is to assist private nonprofit educational institutions in the construction and financing of facilities. Bonds of the Authority outstanding at the end of 1998-99 are shown below:

Institution	Issued	Original Amount	Retired	Outstanding As of 06-30-99
Columbia College	1975	\$ 1,000,000	\$ 905,000	\$ 95,000
Morris College	1983	1,500,000	495,000	1,005,000.00
Coker College	1988	4,300,000	4,300,000	0
Anderson College	1990	3,565,000	3,565,000	0
Presbyterian College	1993	5,850,000	5,850,000	0
Wofford College	1994	4,859,000	2,910,715	1,948,285
Benedict College	1995	18,280,000	1,165,000	17,115,000
Converse College	1996	4,400,000	1,550,000	2,850,000
Furman University	1996	24,000,000	2,000,000	22,000,000
Furman University	1996	12,000,000	-	12,000,000
Claflin University	1997	5,780,000	250,000.00	5,530,000
Morris College	1997	6,700,000	-	6,700,000
Coker College	1998A	2,500,000	240,341	2,259,659
Coker College	1998B	1,600,000	200,000	1,400,000
Presbyterian College	1998	11,630,000	-	11,630,000
Furman University	1999	10,365,000	-	10,365,000
Anderson College	1998A	3,455,000	-	3,455,000
Anderson College	1998B	1,285,000	-	1,285,000
Anderson College	1998C	3,870,000	-	3,870,000
Total		<u>\$126,939,000</u>	<u>\$23,431,056</u>	<u>\$103,507,944</u>

During 1998-99, the Authority held six meetings (August 11, October 13, December 15, February 9, May 11, and June 29).

SOUTH CAROLINA RESOURCES AUTHORITY

The South Carolina Resources Authority was created in Act 682 of 1988. The General Assembly found "...a definite need for additional sources from which to finance the present and future needs of the people of South Carolina for the undertakings authorized by this act..." (which are water supply and wastewater projects or "other projects committed to the Authority by subsequently enactment of the General Assembly"). The Authority was declared by the General Assembly to be a body politic and corporate and a public instrumentality of the State. Authority membership consists of members of the State Budget and Control Board, sitting *ex officio*. The General Assembly, in Act 525 of 1994, repealed Title 11, Chapter 37 of the South Carolina Code of Laws (Act 682 of 1988), when all bonds issued by the South Carolina Resources Authority are retired. Act 525 of 1994 establishes the South Carolina Infrastructure Facilities Authority.

At the end of 1998-99, the following Authority bonds were outstanding:

Issued	Original Amount	Retired	Outstanding As of 06-30-99
1989	\$ 16,810,000	\$ 2,920,000.00	\$ 13,890,000.00
1990	25,980,000	3,605,000.00	\$ 22,375,000.00
1991	7,940,000.00	1,550,000.00	6,390,000.00
Total	<u>\$ 50,730,000.00</u>	<u>\$ 8,075,000.00</u>	<u>\$ 42,655,000.00</u>

The Resources Authority did not meet in 1998-99.

STATE WATER QUALITY REVOLVING FUND AUTHORITY

Act 513 of 1992 repealed Chapter 6 of Title 48 which provided the authority under which the Budget and Control Board, Office of Local Government, had developed and administered the financial functions of the State Water Pollution Control Revolving Fund since 1987 and established the State Water Quality Revolving Fund Authority to administer the revolving fund and the loans made from the fund and to provide additional financing in the future to local governmental units for the purpose of providing projects.

The Authority met once during the fiscal year on October 13.

INFRASTRUCTURE FACILITIES AUTHORITY

The South Carolina Infrastructure Facilities Authority Act, Chapter 40 of Title II, created the South Carolina Infrastructure Facilities Authority, composed of the members of the State Budget and Control Board, and the South Carolina Infrastructure Revolving Loan Fund to provide low-interest loans for the construction of publicly owned water and sewer facilities that address environmental, growth and economic development needs throughout the State, with a particular focus on those communities where access to private financing may not be readily available or affordable. Staff and assistance to the Authority in its functions is provided by the Office of Local Government. The Authority adopted the South Carolina Infrastructure Facilities Authority program design and major policies for the South Carolina Infrastructure Revolving Loan Fund and authorized the Office of Local Government to perform certain functions on behalf of the authority, including administering the Fund in accordance with the Program Design and Major Policies adopted by the Authority, making loans from the Fund, entering into loan agreements, disbursing funds, collecting repayments, and taking such other actions on behalf of the Authority as is permitted by the Act in order to ensure proper administration of the Fund.

Details on the State Water Pollution Control Revolving Fund are provided in the Office of Local Government section of this report. The Authority met once during the fiscal year on October 13.

LEADERSHIP SYSTEM

Since its creation in 1950, the Budget and Control Board has served as a beacon of leadership for other state agencies and political subdivisions. Often referred to as a "flagship" agency, the Board stays well ahead of the curve in innovative and progressive management techniques.

The Board is headed by an Executive Director who is directly responsible to the five members. Under its current structure the Board is divided into four major Divisions. Each Division is headed by a Director who reports to the Executive Director. Periodic meetings are held with Division Directors to assure smooth information flow. Fourteen Office directors are charged with administration of Board policy. Office directors, who also meet regularly, are involved in the Deputy Directors Organization (DDO), an affiliate of the statewide Agency Directors Organization (ADO) in which the Executive Director, Chief, and Deputy Chief of Staff actively participate.

The leadership structure of the Board allows the Executive Director to be fully engaged in policy decisions and cultivate positive relationships with members of the General Assembly and state agency leadership enabling the Chief of Staff and Deputy Chief of Staff to focus their attention on internal matters and daily operations.

The environment established by the leadership is one in which there is open communication and mutual contribution toward achieving the mission of the agency. A focus on personal professional development and quality initiatives has led to an environment in which there is increased interaction between management and employees, fostering a more positive attitude for service.

The core values established by the Board include professional competence, pride in group success, a quality work product, dedication to service and dependability. Through ongoing commitment to these values, a higher level of performance is achieved. Periodic program measurements are employed to validate this.

The pioneering role the Board has taken in providing leadership is evidenced by the development of the Executive Institute, the Certified Public Manager and Associate Public Manager programs. In addition, the Center for Education, Quality and Assessment (CEQA) provides organizational development programs for all state agencies, and Board staff are strongly encouraged to participate. Training for the present and future remains a critical element in all Board Offices.

Mentoring to newer Board employees is conducted annually pairing veteran managers with those seeking to learn more about supervision and leadership.

The Total Quality Management (TQM) has been a Board priority for years. Meetings of the S.C. Government Quality Network have been facilitated by Offices of the Board in order to demonstrate support from the highest levels of state government.

